



August 24, 1992

Mr. Aaron Zimmerman  
Regional Project Officer  
U. S. Environmental Protection Agency, Region 7  
726 Minnesota Avenue  
Kansas City, Kansas 66101

Re: EPA Contract No. 68-W9-0006  
Work Assignment No. R07068  
Revised Work Plan for Environmental Beneficial Expenditures (EBE) Oversight  
Knapheide Manufacturing Company, West Quincy, Missouri

Dear Mr. Zimmerman:

PRC Environmental Management, Inc., is submitting the revised work plan for EBE oversight at the above referenced facility in response to the Environmental Protection Agency (EPA) amendment number 1. The scope and costs of performing this assignment are addressed in the work plan. Because the size and complexity of the documents to be reviewed under this work assignment are not known, PRC may require additional hours and dollars to complete the work assigned. This revised work plan contains PRC's best estimate as to the hours and dollars that will be needed to complete this work assignment. If approval of this work plan is not received by September 21, 1992, project work will stop.

If you have any questions or comments on this submittal, please do not hesitate to call me at (913) 281-2277.

Sincerely,

*for* Paula Hirtz  
Regional Manager

cc: Ruben McCullers, U. S. EPA - WAM  
Derrick Montford, U.S. EPA  
Robert Van Osten, PRC  
Nathan Meyer, PRC  
File

*Approved  
by me  
8/25/92  
RBM*



R00080369  
RCRA Records Center

ENVIRONMENTAL BENEFICIAL EXPENDITURES OVERSIGHT

KNAPHEIDE MANUFACTURING COMPANY  
WEST QUINCY, MISSOURI

REVISED WORK PLAN

Prepared for:

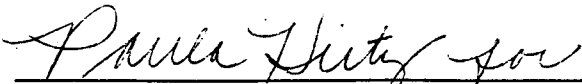
U.S. ENVIRONMENTAL PROTECTION AGENCY  
Office of Waste Programs Enforcement  
Washington, D.C. 20460

Work Assignment No.	:	R07068
EPA Region	:	7
Site Number	:	MOD000766998
Date Prepared	:	August 24, 1992
Contract No.	:	68-W9-0006
Prepared by	:	PRC Environmental Management, Inc.
Contractor Project Manager	:	Nathan Meyer
Telephone No.	:	(913) 281-2277
EPA Work Assignment Manager	:	Ruben McCullers
Telephone No.	:	(913) 551-7455

Approved:



Paula Hirtz, Regional Manager



Robert Van Osten, Financial Manager

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
1.0 INTRODUCTION .....	1
1.1 SITE DESCRIPTION AND HISTORY .....	1
1.2 STATEMENT OF WORK .....	1
1.3 CONFLICT OF INTEREST .....	2
2.0 PROJECT APPROACH .....	2
2.1 ACTIVITIES .....	2
2.1.1 Hold Preliminary Meeting with EPA .....	2
2.1.2 Review EPA and State Files .....	2
2.1.3 Review and Comment on Knapheide's Submittals .....	4
2.1.3.1 Environmental Audit Proposal .....	4
2.1.3.2 Financial Expenditures .....	4
2.1.3.3 Environmental Audit Report .....	4
2.1.3.4 Supplemental Environmental Plan .....	4
2.1.3.5 Quarterly Reports .....	5
2.1.4 Project Management Activities .....	5
2.2 DELIVERABLES .....	5
2.2.1 Comments on Knapheide's Environmental Audit .....	5
2.2.2 Comments on Knapheide's Financial Expenditures .....	5
2.2.3 Comments on Knapheide's Environmental Audit Report .....	6
2.2.4 Comments on Knapheide's Supplemental Environmental Plan .....	6
2.2.5 Comments on Knapheide's Quarterly Reports .....	6
3.0 WORK SCHEDULE .....	6
4.0 PERSONNEL .....	6
5.0 INTERVIEWS/SUBCONTRACTORS/CONSULTANTS .....	7
6.0 EXCEPTIONS TO THE ASSIGNMENT OR ANTICIPATED PROBLEMS .....	8
7.0 QUALITY ASSURANCE .....	8

### Attachments

A	COST ESTIMATE
---	---------------

## LIST OF TABLES

<u>Table</u>	<u>Page</u>
1 ESTABLISHED NUMBER OF LOE REQUIRED FOR EACH ACTIVITY .....	3
A-1 PRC ODC ESTIMATE .....	A-2

## **1.0 INTRODUCTION**

PRC Environmental Management, Inc. (PRC) has received Work Assignment No. R07068 from the U. S. Environmental Protection Agency (EPA) under Contract No. 68-W9-0006, Technical Enforcement Support (TES) 9. PRC will provide oversight for Environmental Beneficial Expenditures (EBE) activities at the Knapheide Manufacturing Company (Knapheide) in West Quincy, Missouri. To provide oversight, PRC will review and comment on Knapheide's submittals for compliance with the terms of its consent agreement and for compliance with all appropriate guidance documents.

### **1.1 SITE DESCRIPTION AND HISTORY**

Knapheide manufactures truck beds, utility bodies, and tool boxes. These units are primed and painted, and the metal components are cleaned with an alkaline cleaner.

As a result of its manufacturing processes, Knapheide generates hazardous waste. Recently, Knapheide was found to be operating as an illegal treatment, storage, and disposal (TSD) facility. Based on allegations contained in a February 4, 1992, Resource Conservation and Recovery Act (RCRA) 3008 (a) complaint and following the EPA 1990 RCRA Civil Penalty Policy, EPA proposed that the facility be assessed a civil penalty for eight RCRA violations.

At initial settlement negotiations with EPA, Knapheide proposed that it perform EBE to help reduce the penalty amount. The EBE will include an environmental audit and pollution prevention and waste minimization activities. The RCRA Civil Penalty Policy allows such expenditures if the facility complies with EBE guidance documents.

### **1.2 STATEMENT OF WORK**

The project approach described in this work plan is based on the EPA statement of work and on discussions with the EPA Work Assignment Manager (WAM), Ruben McCullers. In summary, the main activities of this work assignment are to:

- Track all level-of-effort (LOE) hours charged against this work assignment. This activity will be completed by the use of separate account number for each activity. A summary of the hours expended will be contained in monthly status reports.

- Review and evaluate Knapheide's submittals for compliance with the terms of its consent agreement and all appropriate guidance documents. PRC will provide EPA with comments on its findings.

### **1.3 CONFLICT OF INTEREST**

PRC certifies that, to the best of its knowledge, it has no personal or organizational conflict of interest that would interfere with the completion of this work assignment.

## **2.0 PROJECT APPROACH**

This section presents the activities and deliverables associated with this work assignment.

### **2.1 ACTIVITIES**

The following subsections describe the activities that will be performed for this work assignment. Table 1 shows the estimated number of LOE hours required for each activity.

#### **2.1.1 Hold Preliminary Meeting with EPA**

PRC personnel will meet with the EPA WAM and any EPA personnel identified by the EPA to discuss: (1) the work assignment objectives, (2) the site and regulatory background of the Knapheide facility, and (3) the content and organization of PRC's comments on Knapheide's submittals.

#### **2.1.2 Review EPA and State Files**

As directed by the EPA WAM, PRC will review EPA Region 7 and Missouri Department of Natural Resources (MDNR) files on Knapheide to become familiar with the facility.

**TABLE 1**  
**ESTIMATED NUMBER OF LOE REQUIRED**  
**FOR**  
**EACH ACTIVITY**

<u>Activity</u>	<u>LOE Hours for</u> <u>Activity by P-Level</u>				<u>Total</u>
	<u>P4</u>	<u>P3</u>	<u>P2</u>	<u>P1</u>	
Work Plan and Revised Work Plan	2	3	0	12	17
Preliminary Meeting with EPA	1	0	0	2	3
Review EPA and State Files	0	0	0	5	5
Review and Comment on Environmental Audit Proposal	0	2	0	22	24
Review and Comment on Financial Expenditures	16	2	0	8	26
Review and Comment on Environmental Audit Report	0	2	0	22	24
Review and Comment on Supplemental Environmental Plan	0	2	0	22	24
Review and Comment on Quarterly Reports <sup>1</sup>	24	8	0	40	72
Project Management <sup>2</sup>	0	0	0	30	30
<b>Total</b>	<b>43</b>	<b>19</b>	<b>0</b>	<b>163</b>	<b>225</b>

**Notes:**

<sup>1</sup> Includes Review of four quarterly reports

<sup>2</sup> Includes meetings with the EPA WAM, preparation of monthly reports, scheduling of project staff, management of confidential business information (CBI), and close-out activities.

### **2.1.3 Review and Comment on Knapheide's Submittals**

PRC will review and comment on Knapheide's submittals listed in Sections 2.1.3.1 through 2.1.3.5. The reports will be reviewed for compliance with the following documents:

- The consent agreement between Knapheide and EPA
- EPA's penalty policy
- National Enforcement Investigations Center (NEIC) guidance
- EPA Headquarters nexus guidance
- Other applicable guidance documents specified by the WAM

#### **2.1.3.1 Environmental Audit Proposal**

Knapheide will submit a proposal to the EPA for an environmental audit. PRC will review and submit comments to the EPA WAM on the proposal.

#### **2.1.3.2 Financial Expenditures**

Knapheide will submit financial expenditures to the EPA that are related to the EBE for approval. PRC will review and submit comments to the EPA WAM on the expenditures.

#### **2.1.3.3 Environmental Audit Report**

Knapheide will submit an environmental audit report. PRC will review and submit comments to the EPA WAM on the audit report.

#### **2.1.3.4 Supplemental Environmental Plan**

Knapheide will submit a Supplemental Environmental Plan (SEP) for the facility based on information obtained during the audit. PRC will review and submit comments to the EPA WAM on the SEP or other options for the SEP. PRC will also discuss alternatives if applicable.

#### **2.1.3.5 Quarterly Reports**

Knapheide will submit quarterly reports during the preparation and submittal of the four documents listed above and the implementation of the SEP. The quarterly reports will consist of an update on the progress completed and the expenses incurred during the reporting period. PRC will review and submit comments to the WAM on both the progress completed and the expenses incurred by the facility.

#### **2.1.4 Project Management Activities**

Project management activities that will be conducted by PRC include meetings with the EPA WAM, preparation of monthly reports, scheduling of project staff, management of CBI, and close-out activities.

### **2.2 DELIVERABLES**

The following subsections describe the deliverables that will be submitted for this work assignment. PRC proposes that these deliverables contain a brief background section, general comments, and specific comments. PRC also proposes to compose the deliverables in a manner that could be incorporated into a letter to the facility. PRC will discuss the organization of its comments with the EPA WAM before beginning the deliverables. PRC will edit the comments to the approval of the WAM. PRC will submit a hardcopy and a WordPerfect 5.1 disk copy of the deliverables.

#### **2.2.1 Comments on Knapheide's Environmental Audit Proposal**

Within 15 calendar days after PRC receives Knapheide's environmental audit proposal from EPA, PRC will submit written comments to EPA on the proposal.

#### **2.2.2 Comments on Knapheide's Financial Expenditures**

Within 15 calendar days after PRC receives Knapheide's financial expenditures from EPA, PRC will submit written comments to EPA on the expenditures.



### **2.2.3           Comments on Knapheide's Environmental Audit Report**

Within 15 calendar days after receiving Knapheide's environmental audit report, PRC will submit written comments to EPA on the report.

### **2.2.4           Comments on Knapheide's Supplemental Environmental Plan**

Within 15 calendar days after receiving the supplemental environmental plan from EPA, PRC will submit written comments to EPA on the plan.

### **2.2.5           Comments on Knapheide's Quarterly Reports**

Within 10 calendar days after receiving Knapheide's quarterly reports from EPA, PRC will submit written comments to EPA on the quarterly reports.

## **3.0    WORK SCHEDULE**

PRC will follow the deliverable dates specified in Section 2.2.

## **4.0    PERSONNEL**

### Regional Manager

Paula Hirtz, Environmental Engineer (P3)

### Quality Assurance/Quality Control Coordinator

David Homer, Environmental Scientist (P4)

### Project Manager

Nathan Meyer, Environmental Scientist (P1)

### Project Staff

Joe Atchue, Environmental Scientist (P4)

Mark Evans, Environmental Scientist (P4)

Arthur Glazer, Civil Engineer (P4)

Kathy Homer, Geologist (P3)

Frank Douglas, Editorial Reviewer (P1)

Suzanne Ladish, Editorial Reviewer (P1)

Nathan Meyer, PRC project manager, will perform PRC's review on the technical portions of Knapheide's submittals. Mr. Meyer will also coordinate the tasks of this work assignment with the EPA work assignment manager and with PRC's project staff.

Kathy Homer of PRC's Kansas City office will perform the technical review of Mr. Meyer's work.

Joe Atchue of PRC's McLean, Virginia, office will perform PRC's review on the financial portions of Knapheide's submittals.

Arthur Glazer of PRC's McLean, Virginia, office will perform the technical review of Mr. Atchue's work. Mark Evans of PRC's McLean, Virginia, office will perform the technical review if Mr. Glazer is unavailable.

Mr. Frank Douglas or Ms. Suzanne Ladish from PRC's Kansas City office will perform editorial review of PRC deliverables.

David Homer of PRC's Kansas City office will perform the final quality assurance and quality control review on PRC deliverables.

All PRC project staff are CBI cleared.

## **5.0 INTERVIEWS/SUBCONTRACTORS/CONSULTANTS**

PRC will interview state personnel or facility representatives as directed by the EPA WAM. PRC will obtain permission from the EPA WAM before interviews are conducted.

PRC does not anticipate the use of any subcontractors or consultants for this work assignment.

## **6.0 EXCEPTIONS TO THE ASSIGNMENT OR ANTICIPATED PROBLEMS**

The estimated work schedule, LOE hours, and cost estimate (Attachment A) included in this work plan are based on discussions with the EPA WAM and EPA's statement of work.

Because the size and complexity of the documents to be reviewed under this work assignment are unknown at the time this work plan is being written, PRC may require additional hours and dollars to complete this work assignment. This revised work plan contains PRC's best estimate as to the hours and dollars that will be needed to complete this work assignment.

## **7.0 QUALITY ASSURANCE**

PRC's Quality Assurance (QA) Program Plan, dated March 1988, has been incorporated by reference into the TES 9 contract. All activities and deliverables under this work assignment are subject to a contract-required program or system Quality Control (QC) audit carried out by the auditor or his designee. The program audit results and any required corrective actions will be included in the monthly progress reports.

# ATTACHMENT A

## COST ESTIMATE

Work Assignment No. R07068 (August 24, 1992)

### HOURS

<u>P-Level</u>	<u>Hours</u>
P-4	43
P-3	19
P-2	0
P-1	<u>163</u>
PRC Total LOE	225
PRC Clerical	<u>25</u>
Total Hours	<u>250</u>

### DOLLARS

#### PRC Cost

Direct Labor	\$ 4,153
Travel	0
ODCs*	686
Indirect Costs	<u>3,229</u>
Subtotal Costs	\$ 8,068
Base Fee	<u>242</u>
Total WA Cost Estimate	<u>\$ 8,310</u>

#### Notes:

- \* See Table A-1 for PRC ODC estimate.

	<u>LOE</u>	<u>Budget</u>
Previous Action	80	\$ 4,000
This Action	<u>145</u>	<u>4,310</u>
Total	225	\$ 8,310

**TABLE A-1**  
**PRC ODC ESTIMATE**

<u>Item</u>	<u>Unit Cost (\$)</u>	<u>Est. No. Units</u>	<u>Amount (\$)</u>
Photocopies	\$ 0.08/copy	1,500	120
Telecommunications	\$ 5.00/call	30	150
Mail	\$10.00/package	20	200
Computer	\$ 3.60/hour	60	<u>216</u>
			\$ 686

---

## **NARRATIVE DESCRIPTION OF COST ESTIMATE**

**LOE HOURS:** Level of effort (LOE) hours include billable time for personnel such as engineers, scientists, draftspeople, technicians, statisticians, and programmers, but not support personnel such as company management, typists, and keypunch operators.

**CLERICAL HOURS:** Clerical hours include billable time for personnel such as clerks and typists.

**DIRECT LABOR:** Direct labor charges related to LOE and clerical labor hours are directly attributable to a specific work activity authorized by a work assignment. Such work assignment labor would be necessary to produce a particular end product or to provide a particular service. Direct labor charges are calculated by multiplying an individual's directly chargeable time by his or her hourly rate.

**TRAVEL:** Travel costs incurred in carrying out work activity authorized by the work assignment and included in this category are costs such as airfare, ground transportation, meals, and lodging.

**ODCs:** Other direct costs (ODCs) are incurred in carrying out work activities authorized by a work assignment. Examples of ODCs are expert witness fees, long distance telephone charges, postage, other document delivery charges, and duplication and reproduction.

**INDIRECT COSTS:** Indirect costs are costs that are not directly related to a specific work activity but are "support-type" costs that the company must incur to continue operations. These costs should be incorporated in the accounting system because they are costs of doing business. Such costs normally include rent, insurance, indirect labor costs of support-type personnel, depreciation, and supplies, among others. These various types of overhead costs are accumulated in groups called "overhead pools." The number of overhead pools can range from one to several hundred depending on the complexity of operations. The most commonly used overhead pools are fringe benefits, overhead, general and administrative expense. Since different firms have their own overhead pool nomenclature, all such costs are aggregated into the indirect costs category.

**FEE:** Fee is the portion of a contractor's charges known as profit. Profit generally is characterized as the basic motive of business enterprise and represents a projected monetary excess realized by a contractor after deducting costs (both direct and indirect) incurred in performing a task.